

Coast Guard Year 2000 (Y2K) Efforts/

Talking Points for Assistant Commandants/Directors

For Use in Internal or External Speaking Opportunities

The Y2K problem (inability of computers programmed with 2-digit date fields to recognize “00” as the year 2000) has been called the greatest information technology challenge that the modern world has faced. It is expected to cost the Coast Guard between \$25 - 50M, the U. S. Government \$10B-\$12B, U. S. business >\$50B. Worldwide costs will run from \$300B - \$600B. Litigation spinning off the problem may exceed \$1Trillion.

Y2K problems are not a theory. As early as January 1997 the **Coast Guard Institute** experienced what may have been the **Coast Guard’s first major Y2K failure**. A computer program that mails End of Course Tests (EOCT) with a three-year test administration window failed when the routine tried to add three years to the enrollment year of 1997 – the system was unable to recognize the year 2000, which showed as “00”. The failure rendered the Institute unable to mail out EOCTs, and took two weeks to correct!

The Coast Guard reports 75 mission critical systems to the Office of Management and Budget (OMB). However, its master list contains more than 600 entries. The Coast

Guard Operations Systems Center (OSC) at Martinsburg, West Virginia is building a **comprehensive database (Y2K DB)** containing not only the Coast Guard's 75 mission critical systems and their status, but a large number of the other 600 systems that have been inputted to the database by commands around the country. The database is **accessible via the CG Intranet.**

The MSIS, one of the Coast Guard's largest systems, has as many as **100,000 lines of date sensitive code.** All must be scanned and corrected. And this is a system that was not originally intended to be in use after 2000! Yet we must fix the system, because it is so essential to the way MSOs do business (e.g., 3-year vessel inspections) and its replacement system can not be fully implemented until after 2000.

Because of our tremendous reliance on technology in a streamlined Coast Guard, repair of our systems is a top priority of the Commandant. When asked to state his priorities at the conclusion of the Fall '98 flag conference, Admiral Loy replied: "Stand the watch, fill the workforce, and **fix Y2K!**"

The Coast Guard Headquarters **Y2K staff** consists of a program director (O-6) and 6 staffers who compile the quarterly reports to OMB, maintain a Y2K database, answer departmental and congressional data calls, prepare congressional testimony, track CG costs, oversee Y2K testing, coordinate the outreach efforts, manage the continuity of operations effort, and serve as the clearing house for Y2K information. They can be reached at (202) 267-1742 or (202) 267-1742.

The CG Y2K Team in G-SI issued the **CG Y2K Management Plan in July 1997**. The Plan lays out the Coast Guard 5 phase strategy to deal with Y2K issues in its systems and equipment, and sets forth the OMB reporting requirements. We have **adopted OMB's timelines of 9/98 to complete renovation; 1/99 to complete validation (testing); and 3/99 to complete implementation of the Y2K-compliant solutions**. The Coast Guard views these milestones as prudent and reasonable. The management plan has been very well received by DOT, and has been provided to other agencies on request, including a copy to all 50 states. It will be reissued early in FY99 w/ an expanded section on testing.

Repair efforts are underway on the 75 mission critical systems to insure continuity of Coast Guard operations. These mission-critical systems support a wide range of Coast Guard functions. Despite this, we are confident that **our ability to perform our core missions/services** for the maritime community will not be interrupted by Y2K related problems. Our ships will operate, and our planes will fly. Small glitches may occur, but major system failures affecting the public should not.

Program sponsors are preparing **contingency plans** for all of the critical systems to ensure we are able to continue delivering service to the public should a Y2K-related problem develop. In addition, the Commandant has issued **ALCOAST 087/98** which launched a Coast Guard-wide continuity of operations planning effort called **Operation Millennium Approach** to deal with all disruptions, whether to our own systems, or to public infrastructure, suppliers, or industry partners, that impact the CG's ability to

perform its missions. The Commandant called district and area chiefs of staff to an October planning conference in St. Louis to determine a CG-wide response organization and actions to be taken to prepare for possible Y2K disruptions. For the time remaining until the millennium, **district and area planning officers** will be dedicated to planning for **Operation Millennium Approach**. As an adjunct to this effort, the Coast Guard has taken a fresh look at **platforms as composite systems**, and will prepare them in this context for **operational evaluations and joint exercises** with the Navy in Spring and Summer 1999. To illustrate the importance attached to Y2K by DOD, the Chairman, Joint Chiefs of Staff **canceled** the annual joint service exercise “**Positive Force**” in September, and in its place initiated exercise “**Positive Response Y2K**” for the spring of 1999. Its purpose is to evaluate the Y2K readiness of our platforms.

A major area of concern is the Y2K readiness of the external maritime community. Modern ships carry multiple computerized systems, and a vast number of embedded chips. There are fire alarm and sprinkler systems, engine management and alarm systems, radar and navigation systems, cargo handling and tank control systems, and communications networks. The ports they call at also have extensive computer-based infrastructure, including cargo terminal systems and equipment, and traffic management systems. To ensure that our maritime industry partners are preparing for Y2K, we have several **outreach efforts** underway.

- A Headquarters **web site** in the office of G-M with Y2K information

- The CG co-sponsored a February **Y2K conference** w/ the Maritime Assn. Port of NY/NJ, and another in Hampton Roads in early September.
- Similar conferences are scheduled in Portland, OR (Oct '98), New Orleans (Oct'98), Nashville (Dec'98) and Cleveland, OH (Jan'99)
- The Coast Guard has addressed Y2K issues at International Maritime Organization (IMO) sessions, and at Marine Safety Office Industry Days nationwide. The Maritime Safety Committee of the IMO issued a Circular on Y2K at the urging of the Coast Guard.
- The Coast Guard Navigation Center (NAVCEN) is the DoT agent for Civil **Global Positioning System (GPS) issues**. The NAVCEN Navigation Information Service (NIS) Web site has information on the GPS issue, and has been alerting GPS users to confirm the Y2K compliance status of their GPS receivers.
- The Coast Guard published a **notice on Y2K in the Proceedings of the Marine Safety Council**, October – December 1997 issue.
- The Coast Guard published a notice on Y2K in the **Federal Register**.
- The Coast Guard is distributing a **Y2K flyer** to owners of documented vessels and other segments of the marine industry during routine inspections and site visits. We will also distribute the flyer to CG Marine Safety Offices and to CG Auxiliary members for further distribution to the commercial vessel and boating public during inspections, boardings, and boating safety classes.

The Coast Guard has decided as a matter of policy to **stress education and awareness** of the maritime industry **vice taking regulatory actions**. We believe the industry has powerful financial incentives to repair their Y2K-affected information systems and embedded technology to avoid delays. To deal with any failures of equipment, **regulations already exist** that require masters to report the failure to the Coast Guard. These existing regulations allow the Coast Guard to require malfunctioning systems and equipment to be corrected, and to delay a ship's departure if required while repairs are made.

Due to **burgeoning CG Y2K costs** that were not included in any CG Budget request, the Coast Guard forwarded (via DOT) to OMB a request for \$20.5M, to be included in an administration **request to Congress for supplemental FY99 funding**. This is to cover a portion of CG total Y2K costs of \$35.7M since 1996.